

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**
Franklinton, Louisiana

Annual Financial Statements
As of and for the Year
Ended December 31, 2011

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **AUG 29 2012**

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO.1**

Franklinton, Louisiana

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**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**
Franklinton, Louisiana

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Commissioners
Washington Parish Fire Protection District No. 1
Franklinton, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and each major fund of the Washington Parish Fire Protection District No. 1 (the District), a component unit of the Washington Parish Government, as of and for the year ended December 31, 2011 which collectively comprise the District's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Washington Parish Fire District No. 1's management.

Our review was conducted in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards* issued by the Comptroller General of the United States of America. A review consists principally of inquiries of the Washington Parish Fire Protection District No. 1's personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information on pages 4 through 9 and 30 through 31, are presented for purposes of additional analysis. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The supplementary information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but it has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information, and accordingly, we do not express an opinion or provide any assurance on such supplementary information.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated June 19, 2012 on the results of our agreed-upon procedures on pages 35 through 38.

KUSHNER LAGRAIZE, L.L.C.

Kushner LaGraize, L.L.C.

Metairie, Louisiana
June 19, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 1

Franklinton, Louisiana

*Management's Discussion and Analysis
December 31, 2011*

Introduction

Washington Parish Fire Protection District No. 1 (the District) is pleased to present its Annual Financial Report developed in compliance with Governmental Accounting Standard Board Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments* (hereinafter referred to as GASB 34) and related standards

The District's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the District's financial activity, (c) identify changes in the District's financial position, (d) identify any significant variations from the District's financial plan, and (e) identify individual fund issues or concerns

Since Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the District's financial statements.

Financial Highlights

- Total assets at December 31, 2011, were \$1,294,203 and exceeded liabilities by \$680,102 (i.e., net assets). Of total net assets, \$276,914 was unrestricted and available to support short-term operations, restricted net assets of \$233,801 for debt service and with the balance of total net assets of \$169,387 invested in capital assets net of related debt
- Ad valorem taxes of \$207,145 decreased 2.13% from 2010 due to a decrease in the taxable value of assessed property.
- The District's long-term debt at December 31, 2011 was \$605,000 as compared to long-term debt at December 31, 2010 of \$645,000. The decrease is due to the regular principal payment of \$40,000

Overview of Annual Financial Report

Management's Discussion and Analysis (MD&A) serves as an introduction to basic financial statements and supplementary information. The MD&A presents an overview of management's examination and analysis of the District's financial condition and performance. The District's basic financial statements are comprised of three components: 1) government-wide statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**

Franklinton, Louisiana

*Management's Discussion and Analysis
December 31, 2011*

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to private-sector businesses. These financial statements are reported using the full accrual accounting methods

The statement of net assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The statement of net assets and the statement of activities display information about the District as a whole. These statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The modified accrual basis of accounting is used by the governmental funds.

Notes to financial statements. The notes to the financial statements provide required disclosures essential to the understanding of the financial statements. The notes present information about the District's accounting policies, significant account balances, account activities, commitments, contingencies, and subsequent events, if any. Supplementary information includes a comparative budget schedule

Financial Analysis

The purpose of financial analysis is to help determine whether the Washington Parish Fire Protection District No. I is better off as a result of the current year's activities. In this analysis, data from two basic financial statements, the Statement of Net Assets, and the Statement of Activities and Changes in Net Assets, is presented below in condensed format. These statements report the net assets, the difference between assets and liabilities, and the change in net assets, which provides information for indicating the financial condition of the District. Following these statements is a separate schedule summarizing and analyzing budget changes for the current fiscal year.

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 1

Franklinton, Louisiana

*Management's Discussion and Analysis
December 31, 2011*

Condensed Statements of Net Assets

	December 31, 2011	December 31, 2010	Dollar Change	Percent Change
Assets:				
Current and other assets	\$ 519,816	\$ 476,806	\$ 43,010	9.02 %
Capital assets	<u>774,387</u>	<u>851,506</u>	<u>(77,119)</u>	(9.06)%
Total Assets	<u>1,294,203</u>	<u>1,328,312</u>	<u>(34,109)</u>	(2.57)%
Liabilities:				
Current liabilities	9,101	9,811	710	7.24%
Long-term liabilities	<u>605,000</u>	<u>645,000</u>	<u>40,000</u>	6.20%
Total Liabilities	<u>614,101</u>	<u>654,811</u>	<u>40,710</u>	6.22%
Net Assets:				
Invested in capital assets, net	169,387	206,506	(37,119)	(17.97)%
Restricted	233,801	202,808	30,993	15.28 %
Unrestricted	<u>276,914</u>	<u>264,187</u>	<u>12,727</u>	4.82 %
Total Net Assets	<u>\$ 680,102</u>	<u>\$ 673,501</u>	<u>\$ 6,601</u>	.98 %

See page 11 for more detailed Statement of Net Assets for the District.

Government-Wide review of the condensed Statement of Net Assets

The composition of net assets and change in net assets over time serves as a useful indicator of a government's financial position. The District's assets at fiscal year-end exceed liabilities by \$680,102 (net assets). The balance of net assets includes \$169,387 Invested in Capital Assets, restricted assets of \$233,801 for debt service, and \$276,914 in Unrestricted Net Assets. The unrestricted net assets are available to meet the ongoing needs of the District.

Capital Assets, net of related debt, totaling \$169,387 or 25% of net assets reflects the total invested in capital assets (land, buildings, equipments, etc.) net of any related debt used to acquire capital assets. These assets are used to provide services to citizens and do not represent assets available for future spending.

At the end of the current fiscal year, the District reported a positive balance in all categories of net assets for the government as a whole, as well as for separate governmental activities.

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.1

Franklinton, Louisiana

*Management's Discussion and Analysis
December 31, 2011*

Condensed Statements of Activities, and Changes in Net Assets

	<u>December 31, 2011</u>	<u>December 31, 2010</u>	<u>Dollar Change</u>	<u>Percent Change</u>
General Revenues				
Ad valorem taxes	\$ 207,145	\$ 211,660	\$ (4,515)	(2.13)%
Other revenues	<u>14,569</u>	<u>16,538</u>	<u>(1,969)</u>	(11.91)%
Total Revenues	<u>221,714</u>	<u>228,198</u>	<u>(6,484)</u>	(2.84)%
Program Expenses				
Operating expenses	134,811	121,799	(13,012)	(10.68)%
Depreciation expense	<u>80,302</u>	<u>79,435</u>	<u>(867)</u>	(1.09)%
Total Expenses	<u>215,113</u>	<u>201,234</u>	<u>(13,879)</u>	(6.90)%
Change in Net Assets	6,601	26,964	(20,363)	(75.52)%
Net Assets, Beginning of Year	<u>673,501</u>	<u>646,537</u>	<u>26,964</u>	4.17 %
Net Assets, End of Year	<u>\$ 680,102</u>	<u>\$ 673,501</u>	<u>\$ 6,601</u>	.98 %

While the Statement of Net Assets shows the change in financial position of Net Assets, the Statement of Activities and Changes in Net Assets provides answers to the nature and scope of these changes.

- Ad valorem taxes of \$207,145 are the most significant revenue source for the fiscal year ended December 31, 2011, at 93% of total revenues. The next largest revenue source is state revenue sharing at \$8,741 (4% of total revenues).
- The major expense within the statement of activities is depreciation of \$80,302 (37% of total expenses), followed by equipment operations of \$32,795 (15%), interest expense of \$27,900 (13%), and insurance of \$18,845(9%).

Budgetary Highlight

The proposed budget for 2011 was presented and adopted at the December 21, 2010 board meeting. The budget is prepared on the cash basis of accounting, and all appropriations lapse at year-end. The General Fund budget was amended during the fiscal year ended December 31, 2011 on December 20, 2011. The District was in compliance with the State of Louisiana Budget Act.

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**

Franklinton, Louisiana

*Management's Discussion and Analysis
December 31, 2011*

**Budget vs. Actual for General Fund and Debt Service Combined –
Fiscal Year Ended December 31, 2011**

	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
REVENUES			
Ad valorem taxes general fund	\$ 95,000	\$ 104,471	\$ 9,471
Ad valorem taxes debt service fund	97,685	102,674	4,989
State revenue sharing	8,500	8,741	241
Insurance rebates	4,500	4,984	484
Interest income	935	660	(275)
Other income	82	126	44
Total Revenues	<u>206,702</u>	<u>221,656</u>	<u>14,954</u>
EXPENDITURES			
Insurance	27,900	18,845	9,055
Equipment - operations	32,000	32,795	(795)
Repairs and maintenance	11,600	7,646	3,954
Dues and subscriptions	800	1,086	(286)
Supplies	6,900	14,361	(7,461)
Capital outlay	39,200	3,183	36,017
Legal	400	400	-
Utilities	7,500	4,157	3,343
Office expenses	2,200	1,890	310
Training	2,000	630	1,370
Rental	1,500	1,482	18
Professional fees	25,256	14,600	10,656
Principal payment	40,000	40,000	-
Interest expense	28,320	27,900	420
Pension expense	6,932	7,396	(464)
Administrative expenses	350	350	-
Other expenses	1,500	89	1,411
	<u>234,358</u>	<u>176,810</u>	<u>57,548</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(27,656)	44,846	72,502
FUND BALANCE, JANUARY 1, 2011	<u>431,459</u>	<u>431,459</u>	<u>-</u>
FUND BALANCE, DECEMBER 31, 2011	<u>\$ 403,803</u>	<u>\$ 476,305</u>	<u>\$ 72,502</u>

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**
Franklinton, Louisiana

*Management's Discussion and Analysis
December 31, 2011*

Capital Assets

At the end of the fiscal year December 31, 2011, the District had purchases of \$3,183 recorded in capital assets, less depreciation of \$80,302. Capital outlays are recorded as expenditures of the General Fund and as assets in the government-wide financial statements. Depreciation is recorded on general fixed assets on a government-wide basis using the straight-line method and the following estimated useful life:

Fire Stations	20-40 years
Fire Trucks and Other Trucks	15 years
Equipment, Furniture and Fixtures	5-15 years

Fixed assets are valued at historical cost or estimated historical cost if actual cost was not available. Donated assets are valued at fair market value on the date donated. The cost of all assets acquired prior to 1989 have been valued using estimated historical cost.

Capital asset activity for the year ended December 31, 2011:

	<u>January 1, 2011</u>	<u>December 31, 2011</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Land	\$ 33,404	\$ 33,404	\$ -	0.00 %
Depreciable assets	1,202,830	1,206,013	3,183	0.26 %
Less accumulated depreciation	<u>(384,728)</u>	<u>(465,030)</u>	<u>(80,302)</u>	<u>(20.87)%</u>
Net depreciable assets	<u>818,102</u>	<u>740,983</u>	<u>(77,119)</u>	<u>(9.43)%</u>
Net Capital Assets	<u>\$ 851,506</u>	<u>\$ 774,387</u>	<u>\$ (77,119)</u>	<u>(9.06)%</u>

The District purchased various equipment for \$3,183 during the year ended December 31, 2011.

Long-Term Debt

A schedule of changes in long-term debt.

	<u>Balance 1/1/2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 12/31/2011</u>
2007 General Obligation Bonds	<u>\$ 645,000</u>	<u>\$ -</u>	<u>\$ (40,000)</u>	<u>\$ 605,000</u>

ECONOMIC FACTOR

The District management's approach is conservative. The board actively monitors revenues and expenses and evaluates the cost of all purchases and any proposed expansion projects. The primary source of revenues for the District is ad valorem taxes.

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**

Franklinton, Louisiana
STATEMENT OF NET ASSETS
December 31, 2011

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 271,152
Receivables	222,042
Protest tax 2011	5,460
Unamortized bond issue costs	12,038
Other receivable	9,124
Capital assets	
Land	33,404
Building, trucks, and equipment	1,206,013
Less accumulated depreciation	<u>(465,030)</u>
TOTAL ASSETS	1,294,203
LIABILITIES	
Accounts payable	1,705
Pension deduction from ad valorem tax	7,396
Long-term debt due in one year	45,000
Long-term debt due in more than one year	<u>560,000</u>
TOTAL LIABILITIES	<u>614,101</u>
NET ASSETS	
Invested in capital assets, net of related debt	169,387
Restricted for debt service	233,801
Unrestricted	<u>276,914</u>
TOTAL NET ASSETS	<u>\$ 680,102</u>

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO.1**

*Franklinton, Louisiana
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2011*

PROGRAM EXPENSES

PUBLIC SAFETY

Insurance expenses	\$ 18,845
Equipment - operations	32,795
Repairs and maintenance	7,646
Dues & subscriptions	1,086
Supplies	14,361
Depreciation expense	80,302
Legal	400
Utilities	4,157
Office expense	1,890
Training expense	630
Rental	1,482
Professional fees	14,600
Administrative expense	350
Amortization bond issue costs	1,184
Deductions for pension expense	7,396
Interest expense	27,900
Other expenses	<u>89</u>

TOTAL PROGRAM EXPENSES 215,113

GENERAL REVENUES

Ad valorem taxes	207,145
State revenue sharing	8,741
Insurance rebates	4,984
Interest income	718
Other revenues	<u>126</u>

TOTAL GENERAL REVENUES 221,714

Change in Net Assets 6,601

Net Assets, beginning of year 673,501

Net Assets, end of year \$ 680,102

FUND FINANCIAL STATEMENTS

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**

Franklinton, Louisiana

**BALANCE SHEET- GOVERNMENTAL FUNDS
December 31, 2011**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 142,417	\$ 106,119	\$ 22,616	\$ 271,152
Receivables	111,551	110,491	-	222,042
Other receivable	9,124	-	-	9,124
Due from other funds	244	16,896	-	17,140
Protest tax 2011	<u>1,485</u>	<u>3,975</u>	<u>-</u>	<u>5,460</u>
TOTAL ASSETS	<u>\$ 264,821</u>	<u>\$ 237,481</u>	<u>\$ 22,616</u>	<u>\$ 524,918</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts payable	\$ 1,705	\$ -	\$ -	\$ 1,705
Pension deductions from ad valorem tax	3,716	3,680	-	7,396
Due to other funds	<u>16,896</u>	<u>-</u>	<u>244</u>	<u>17,140</u>
TOTAL LIABILITIES	22,317	3,680	244	26,241
FUND BALANCE				
Restricted	-	233,801	-	233,801
Assigned	-	-	22,372	22,372
Unassigned	<u>242,504</u>	<u>-</u>	<u>-</u>	<u>242,504</u>
TOTAL FUND BALANCE	<u>242,504</u>	<u>233,801</u>	<u>22,372</u>	<u>498,677</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 264,821</u>	<u>\$ 237,481</u>	<u>\$ 22,616</u>	<u>\$ 524,918</u>

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**

Franklinton, Louisiana

*Reconciliation of the Governmental Fund Balance Sheet
To the Government-Wide Financial Statement of Net Assets
December 31, 2011*

Amounts reported for governmental activities in the
Statement of Net Assets are different because:

Fund Balance, Total Governmental Funds	\$ 498,677
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Capital assets used in governmental activities are not
financial resources and, therefore, are not reported
in the governmental funds:

Governmental capital assets net of depreciation	774,387
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Long-term liabilities and current bonds payable are not
reported in the governmental funds.

Long-term liabilities	(605,000)
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Bond issue costs are reported as a current year
expenditure in the governmental fund, but the bond issue
costs are presented as an asset in the Statement of Net
Assets and amortized over the life of the related bond.

Bond issue costs, net of accumulated amortization	<u>12,038</u>
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Net Assets of Governmental Activities	\$ <u><u>680,102</u></u>
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**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO.1**

Franklinton, Louisiana

*Statement of Revenues, Expenditures
and Changes in Fund Balance Governmental Funds
For the Year Ended December 31, 2011*

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
Ad valorem taxes	\$ 104,471	\$ 102,674	\$ -	\$ 207,145
State revenue sharing	8,741	-	-	8,741
Insurance rebates	4,984	-	-	4,984
Interest income	411	249	58	718
Other revenues	<u>126</u>	<u>-</u>	<u>-</u>	<u>126</u>
TOTAL REVENUES	118,733	102,923	58	221,714
EXPENDITURES				
Insurance expense	18,845	-	-	18,845
Equipment - operations	32,795	-	-	32,795
Repairs and maintenance	7,646	-	-	7,646
Dues & subscriptions	1,086	-	-	1,086
Supplies	14,361	-	-	14,361
Capital outlay	3,183	-	-	3,183
Legal	400	-	-	400
Utilities	4,157	-	-	4,157
Office expense	1,890	-	-	1,890
Training expense	630	-	-	630
Rental	1,482	-	-	1,482
Professional fees	14,600	-	-	14,600
Administrative expense	-	350	-	350
Deductions for pension expense	3,716	3,680	-	7,396
Debt service				
Principal retirement	-	40,000	-	40,000
Interest	-	27,900	-	27,900
Other expenses	<u>89</u>	<u>-</u>	<u>-</u>	<u>89</u>
TOTAL EXPENDITURES	<u>104,880</u>	<u>71,930</u>	<u>-</u>	<u>176,810</u>
Excess of Revenues Over Expenditures	13,853	30,993	58	44,904
Fund Balance, Beginning of Year	<u>228,651</u>	<u>202,808</u>	<u>22,314</u>	<u>453,773</u>
Fund Balance, End of Year	<u>\$ 242,504</u>	<u>\$ 233,801</u>	<u>\$ 22,372</u>	<u>\$ 498,677</u>

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**

Franklinton, Louisiana

*Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance of Governmental Funds to
the Statement of Activities
For the Year Ended December 31, 2011*

Amounts reported for governmental activities in the
Statement of Activities are different because:

Net Change in Fund Balance, Total Governmental Funds	\$ 44,904
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Governmental funds report capital outlay as expenditures.
However, in the Statement of Activities the costs of assets
are allocated over their estimated useful lives and reported
as depreciation in the current period

Expenditures for capital outlay	3,183	
Less current depreciation	<u>(80,302)</u>	(77,119)

Repayment of capital lease and long-term debt principal is an expenditure in governmental funds but the payment reduces long-term liabilities in the Statement of Net Assets.	40,000
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Principal payments – certificate of indebtedness

The governmental fund reports bond issue cost as an
expenditure; whereas the Statement of Activities reports
the bond issue cost as an asset, net of amortization expense.

Decrease in bond issue costs	<u>(1,184)</u>	
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Change in net assets of governmental activities	<u>\$ 6,601</u>
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NOTES TO THE FINANCIAL STATEMENTS

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 1

Franklinton, Louisiana

**Notes To The Financial Statements
December 31, 2011**

INTRODUCTION

The Washington Parish Fire Protection District No. 1 (the District) was created on May 8, 1985 by the Washington Parish Government (formerly Police Jury) as provided by Louisiana Revised Statute 40:1492. The District is responsible for fire protection in the southwestern corner of Washington Parish.

The Board of Commissioners is responsible for the operation and maintenance of the District. The Board consists of five members appointed by the governing authority of Washington Parish. Each member must be an elector of Washington Parish and a resident of the District. The members serve staggered five-year terms, as fixed by the governing authority, without compensation.

The District covers approximately sixty-two square miles in the southwestern corner of Washington Parish and serves approximately 1,200 people. The District operates out of three fire stations which are located as follows: Station No. 1 (Bonner Creek Station) located at 43139 C. E. Stafford Road, Station No. 2 (Bethel Station) located at 19151 Pettitt Road and Station No. 3 (San Pedro Station) located at 15063 Hwy. 450. The District has no employees and operates with a voluntary staff of fire fighters.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The District is a component unit of the Washington Parish Government, the financial reporting entity. The Washington Parish Government is financially accountable for the District because it appoints the District's board and has the ability to impose its will on them.

The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Washington Parish Government, the general government services provided by the governmental unit, or the other governmental units that comprise the financial reporting entity.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the governmental activities of Washington Parish Fire Protection District No. 1. The effect of inter-fund activity has been removed from these statements.

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**

Franklinton, Louisiana

*Notes To The Financial Statements - Continued
December 31, 2011*

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Government-Wide and Fund Financial Statements - Continued

The District does not have any business-type activities and reports only governmental activities. Governmental activities are supported by ad valorem tax collections dedicated to acquire fire protection equipment and to provide support of fire protection activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. The District reports only general revenues.

All individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO.1**
Franklinton, Louisiana

*Notes To The Financial Statements - Continued
December 31, 2011*

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

Interest earnings on time deposits are recorded when the time deposits have matured and the interest is available. State revenue sharing is appropriated by the legislature at the end of the calendar year and is recorded in the year of appropriation. All other revenue items are considered to be measurable and available only when cash is received by the District.

Washington Parish Fire Protection District No. 1 reports the following governmental funds:

General Fund

The general fund is the primary operating fund of the District. It accounts for all financial resources, except those required to be accounted for in other funds.

Debt Service Fund

The debt service fund accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Capital Projects Fund

The capital projects fund accounts for financial resources to be used for the acquisition or construction of major capital facilities.

The effect of inter-fund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. The District reported only general revenues consisting of ad valorem taxes, state revenue sharing, fire insurance rebates, interest income, and other income not restricted for specific purposes.

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO.1**
Franklinton, Louisiana

*Notes To The Financial Statements - Continued
December 31, 2011*

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed

Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the law of the United States

Receivables

Receivables are recorded at gross amount with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements.

Due To/From Other Funds

These amounts represent ad valorem taxes of the debt service fund deposited in the general fund.

Restricted Assets

These accounts contain resources for capital projects and debt service.

Capital Assets

Capital assets, which include land, buildings, and equipment are reported in the government-wide financial statements. Capital assets are capitalized at historical cost. Donated assets are recorded as capital assets at their estimated fair market values at the date of donation. The District maintains a threshold level of \$500 or more for capitalizing assets.

The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized

WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1
Franklinton, Louisiana

Notes To The Financial Statements - Continued
December 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Capital Assets - Continued

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Fire Stations	20-40 Years
Fire Trucks and Other Trucks	15 Years
Equipment, Furniture and Fixtures	5-15 Years

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Governmental Fund Balance

On January 1, 2011, the District adopted GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which significantly changed the reporting of fund balance in the balance sheets of governmental type funds.

In the governmental fund financial statements, fund balances are classified as follows.

1. Non-spendable fund balance – amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.
2. Restricted fund balance – amounts that can be spent only for specific purposes because of state or federal laws or externally imposed conditions by grantors, creditors, or citizens.

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO.1**

Franklinton, Louisiana

*Notes To The Financial Statements - Continued
December 31, 2011*

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Governmental Fund Balance - Continued

- 3 Committed fund balance – amounts that can be used only for specific purposes determined by a formal action by the board members which are the highest level of decision-making authority for the District.
4. Assigned fund balance – amounts that are constrained by the District's intent that they will be used for specific purposes.
5. Unassigned fund balance – all amounts not included in the other spendable classifications.

The District considers restricted fund balances to be spent for governmental expenditures first when both restricted and unrestricted resources are available. The District also considers committed fund balances to be spent first when other unrestricted fund balance classifications are available for use.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

NOTE-2 LEVIED TAXES

On November 7, 2006, the voters of the District passed a 10-year, 8.46 mill property tax renewal for acquiring, constructing, improving, and operating fire protection facilities and equipment in and for the District, including the cost of obtaining water for fire protection purposes. For the period covered by these financial statements, the millage was set at 7.93 mills.

On November 7, 2006, the voters of the District passed a 10 year, 5 mill property tax renewal for acquiring, constructing, improving, and operating fire protection facilities and equipment in and for the District, including the cost of obtaining water for fire protection purposes. For the period covered by these financial statements, the millage was set at 4.69 mills

WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO.1
Franklinton, Louisiana

Notes To The Financial Statements - Continued
December 31, 2011

NOTE-2 LEVIED TAXES - Continued

On November 7, 2006, the voters of the District authorized the District to incur debt and issue \$735,000 of 15-year general obligation bonds for acquiring, constructing, and improving buildings, machinery and equipment. The bonds will be payable from ad valorem taxes to be levied and collected. For the period covered by these financial statements, the millage was set at 12.50 mills.

Property taxes are levied on a calendar year basis and become due on January 1, of each year.

Assessed millages for the year 2011 were as follows:

2011 assessed value of taxable property	\$ 8,839,270
7.93 mill tax (less pension deduction)	70,095
4.69 mill tax (less pension deduction)	41,456
12.50 mill tax (less pension deduction)	110,491

NOTE 3 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budget Information

The budget for the year ended December 31, 2011, was adopted at the District's regular meeting on December 21, 2010. Act 552 of the 2004 Legislative Session eliminated the public participation requirement for general funds with less than \$500,000 in expenditures. The budget is prepared and reported on the cash basis of accounting. All appropriations lapse at year-end. Formal budget integration (within the accounting records) is employed as a management control device. Changes or amendments are made upon approval of the Board of Commissioners. The District does not use encumbrance accounting.

NOTE 4 - CASH

At December 31, 2011, the District had cash (book balances) totaling \$271,152 as follows.

Demand deposits	\$ -
Interest-bearing demand deposits	223,865
Time deposits	<u>47,287</u>
Total Cash	<u><u>\$ 271,152</u></u>

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**

Franklinton, Louisiana

*Notes To The Financial Statements - Continued
December 31, 2011*

NOTE 4 – CASH - Continued

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2011, the Washington Parish Fire Protection District No. I had \$273,109 in deposits (collected bank balances). These deposits were secured from risk by \$250,000 of federal deposit insurance and \$23,109 of collateralized securities.

NOTE 5 – RECEIVABLES

Receivables of \$236,626 at December 31, 2011 are as follows:

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
Ad valorem taxes	\$ 111,551	\$ 110,491	\$ 222,042
State revenue sharing	9,124	-	9,124
Protest tax 2011	<u>1,485</u>	<u>3,975</u>	<u>5,460</u>
Total	<u>\$ 122,160</u>	<u>\$ 114,466</u>	<u>\$ 236,626</u>

NOTE 6 – FUND BALANCES

Fund balances for the District's debt service and capital projects funds consisted of the following as of December 31, 2011.

Restricted fund balance – The restricted fund balance for the debt service fund consists of amounts restricted for debt service expenditures.

Assigned fund balance – The assigned fund balance for the capital projects fund consists of amounts assigned for capital project expenditures.

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**
Franklinton, Louisiana

*Notes To The Financial Statements - Continued
December 31, 2011*

NOTE 7 – CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2011 are as follows

	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Vehicles and Equipment</u>	<u>Total</u>
Capital assets				
December 31, 2010	\$ 33,404	\$ 98,119	\$ 1,104,711	\$ 1,236,234
Additions	-	-	3,183	3,183
Deletions	-	-	-	-
Capital assets				
December 31, 2011	33,404	98,119	1,107,894	1,239,417
Accumulated depreciation				
December 31, 2010	-	(34,443)	(350,285)	(384,728)
Additions	-	(2,486)	(77,816)	(80,302)
Deletions	-	-	-	-
Accumulated depreciation				
December 31, 2011	-	(36,929)	(428,101)	(465,030)
Capital assets, net of accumulated depreciation				
at December 31, 2011	<u>\$ 33,404</u>	<u>\$ 61,190</u>	<u>\$ 679,793</u>	<u>\$ 774,387</u>

NOTE 8 – LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended December 31, 2011:

	<u>December 31, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>December 31, 2011</u>
2007 General Obligation Bonds	<u>\$ 645,000</u>	<u>\$ -</u>	<u>\$ 40,000</u>	<u>\$ 605,000</u>

All District bonds outstanding at December 31, 2011 are general obligation bonds with maturities from March 1, 2012 to March 1, 2022 and interest rates from .10% to 6%. Bond principal and interest payable in 2012 are \$45,000 and \$26,825, respectively

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**
Franklinton, Louisiana

*Notes To The Financial Statements - Continued
December 31, 2011*

NOTE 8 – LONG-TERM OBLIGATIONS - Continued

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the District. At December 31, 2011, the Washington Parish Fire Protection District No. 1 has accumulated \$233,801 in the debt service fund for future debt requirements. The bonds are due as follows:

<u>Year Ending December 31,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Totals</u>
2012	\$ 45,000	\$ 26,825	\$ 71,825
2013	45,000	25,250	70,250
2014	45,000	23,394	68,394
2015	50,000	21,313	71,313
2016	50,000	18,938	68,938
2017-2021	300,000	53,339	353,339
2022	<u>70,000</u>	<u>1,733</u>	<u>71,733</u>
TOTAL	\$ <u>605,000</u>	\$ <u>170,792</u>	\$ <u>775,792</u>

The bonds maturing on March 1, 2018, and thereafter, are callable for redemption at the option of the issuer in full or in part at any time on or after March 1, 2017.

In accordance with R.S. 39:562, the Washington Parish Fire Protection District No. 1 is legally restricted from incurring long-term bonded debt in excess of 10% of the assessed value of taxable property. At December 31, 2011 the statutory limit is \$883,927, and the outstanding bonded debt totals \$605,000.

NOTE 9 – LITIGATION AND CLAIMS

As of December 31, 2011, the District was not involved in any outstanding litigation or claims

NOTE 10 – RISK MANAGEMENT

The District is exposed to various risks of loss related to limited torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to personnel, and natural disasters. These risks are covered, in part, by commercial insurance. Settlements have not exceeded insurance coverage in each of the past three years.

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**
Franklinton, Louisiana

*Notes To The Financial Statements - Continued
December 31, 2011*

NOTE 11 - SUBSEQUENT EVENTS

Subsequent events were evaluated through June 19, 2012, which is the date the financial statements were available to be issued. No material subsequent events have occurred since December 31, 2011 that required recognition or disclosure in these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**

Franklinton, Louisiana

*Schedule of Receipts, Disbursements and Changes in
Cash Balance-Budget (Cash Basis) and Actual General Fund
For the Year Ended December 31, 2011*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
RECEIPTS				
Ad valorem taxes	\$ 95,000	\$ 95,000	\$ 104,471	\$ 9,471
State revenue sharing	8,500	8,500	8,741	241
Insurance rebates	4,500	4,500	4,984	484
Interest income	500	500	411	(89)
Other revenues	<u>-</u>	<u>-</u>	<u>126</u>	<u>126</u>
TOTAL RECEIPTS	<u>108,500</u>	<u>108,500</u>	<u>118,733</u>	<u>10,233</u>
DISBURSEMENTS				
Equipment - operations	10,000	32,000	32,795	(795)
Repairs and maintenance	16,600	11,600	7,646	3,954
Dues and subscriptions	-	800	1,086	(286)
Capital outlay	50,400	39,200	3,183	36,017
Supplies	6,400	6,900	14,361	(7,461)
Legal	-	400	400	-
Insurance expense	27,900	27,900	18,845	9,055
Office expense	2,200	2,200	1,890	310
Professional fees	28,000	23,000	14,600	8,400
Utilities	7,500	7,500	4,157	3,343
Rental	1,000	1,500	1,482	18
Training expense	5,000	2,000	630	1,370
Deductions for pension expense	3,500	3,500	3,716	(216)
Other expenses	<u>1,500</u>	<u>1,500</u>	<u>89</u>	<u>1,411</u>
TOTAL DISBURSEMENTS	<u>160,000</u>	<u>160,000</u>	<u>104,880</u>	<u>55,120</u>

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO.1**

Franklinton, Louisiana

*Schedule of Receipts, Disbursements and Changes in
Cash Balance-Budget (Cash Basis) and Actual General Fund-Continued
For the Year Ended December 31, 2011*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
Excess of receipts over (under) disbursements	\$ (51,500)	\$ (51,500)	\$ 13,853	\$ 65,353
Payments from other funds	<u>-</u>	<u>-</u>	<u>4,486</u>	<u>4,486</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>4,486</u>	<u>4,486</u>
Excess of receipts and other sources (uses) over (under) disbursements	<u>\$ (51,500)</u>	<u>\$ (51,500)</u>	18,339	<u>\$ 69,839</u>
Cash balance at beginning of year			<u>124,078</u>	
Cash balance at end of year			142,417	
Adjustments to conform to GAAP:				
Receivables, end of year			122,404	
Liabilities, end of year			<u>(22,317)</u>	
Fund balance, end of year (GAAP basis)			<u>\$ 242,504</u>	

OTHER SUPPLEMENTAL INFORMATION

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO.1**
Franklinton, Louisiana

*Schedule of Compensation Paid To Board Members
For the Year Ended December 31, 2011*

<u>Board Member</u>	<u>Amount</u>
Edward Glockner, President	None
Barry Coco	None
Darwin Sharp	None
Jauan King	None
Ronnie Seal	None

OTHER REPORTS

Kushner LaGraize, LLC

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

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Members
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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners
Washington Parish Fire Protection District No. 1
Franklinton, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Washington Parish Fire Protection District No. 1 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Washington Parish Fire Protection District No. 1's compliance with certain laws and regulations during the year ended December 31, 2011 included in the accompanying *Louisiana Attestation Questionnaire*. Management of Washington Parish Fire Protection District No. 1 is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for materials and supplies exceeding \$30,000, or public works exceeding \$150,000, and determine whether such purchases were made in accordance with R.S. 38:2211-2296 (the public bid law).

No expenditures were made during the year for materials and supplies that exceeded \$30,000, nor were there any expenditures for public works made during the year that exceeded \$150,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

There are no employees paid through the Washington Parish Fire Protection District No. 1.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

There are no employees paid through the Washington Parish Fire Protection District No. 1.

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the approved budget for the year ended December 31, 2011.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the amended budget to the minutes of a meeting held on December 20, 2011 which indicated that the budget had been adopted by the Board of Commissioners of Washington Parish Fire Protection District No. 1.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5 % or more, or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues exceeded budgeted revenues and expenditures were less than budgeted amounts.

Accounting and Reporting

- 8 Randomly select 6 disbursements made during the period under examination and.

- a. trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- b. determine if payments were properly coded to the correct fund and general ledger account,

We examined each of the six disbursements and found that payment was properly coded to the correct fund and general ledger account

- c determine whether payments received approval from proper authorities

All six of the payments examined were approved by the proper authorities

Meetings

- 9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:1 through 42:13 (the open meetings law)

Washington Parish Fire Protection District No. 1 is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building. Management provided us with the notices and agendas for the board meetings held on April 19, 2011, May 17, 2011, June 21, 2011, July 19, 2011, August 16, 2011, September 08, 2011, September 20, 2011, September 27, 2011, October 18, 2011, November 15, 2011, December 20, 2011, and December 27, 2011. No supporting evidence could be provided for the meetings held on January 11, 2011, February 8, 2011, and March 8, 2011.

Debt

- 10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

- 11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees that may constitute bonuses, advance, or gifts.

A reading of the minutes of the District for the year indicated no approval for the payments noted. However, the District had no employees during the year. We inspected the District's 2011 cumulative general ledger and noted no payments to others which would constitute advances or gifts.

Prior Comments and Recommendations

See Summary Schedule of Prior Findings.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Washington Parish Fire Protection District No. 1 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kushner LaGraize, LLP

June 19, 2012

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

04/27/12 (Date Transmitted)

KUSHNER LAGRATZ, L.L.C.
3330 WEST EXPLORER AVE STE 100
METairie, LA 70002

(Auditors)

December 31, 2011

In connection with your review of our financial statements as of ~~(date)~~ and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations:

These representations are based on the information available to us as of December 31, 2011.

Public Bid Law

It is true that we have complied with the public bid law R S Title 38 2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.
Yes ☒ No ☐

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R S 42:1101-1124.
Yes ☒ No ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R S 42:1119.
Yes ☒ No ☐

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R S 39:1301-16), R S 39:33, or the budget requirements of R S 39:1331-1342, as applicable.
Yes ☒ No ☐

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R S 44:1, 44:7, 44:31, and 44:36.
Yes ☒ No ☐

We have filed our annual financial statements in accordance with R S 24:514, and 33:463 where applicable.
Yes ☒ No ☐

We have had our financial statements reviewed in accordance with R S 24:513.
Yes ☒ No ☐

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R S 42 1 through 42 13

Yes ☒ No ☐

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R S 39 1410 60-1410 65

Yes ☒ No ☐

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution R S 14 138 and AG opinion 79-729

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations We have made available to you documentation relating to the foregoing laws and regulations

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report

Secretary ^{ai} Not Available
Date 4/26/12 Lea Glockner
Treasurer Lea Glockner
Date 4/26/12 Ed Glockner
President Ed Glockner

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO.1**

Franklinton, Louisiana

*Current Year Findings
For the Year Ended December 31, 2011*

Section I – Internal Control Over Financial Reporting

None

Section II – Compliance and Other Matters

Reference Number:

Description of Finding:

The Louisiana Open Meetings Law (LSA-R.S. 42:1 through 42:13) requires that all public bodies shall give written public notice of their regular meetings. During our review, we requested notices of the Board of Commissioner's meetings of the District for the year ended December 31, 2011. We were informed that notices for the meetings that took place on January 11, 2011, February 8, 2011, and March 8, 2011 were not available

Corrective Action Planned:

In the future, the District plans to comply with the Open Meetings Law.

Name of Contact person:

Ed Glockner.

Anticipated Completion Date:

December 31, 2012

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**

Franklinton, Louisiana

*Summary Schedule of Prior Findings
For the Year Ended December 31, 2011*

Section I – Internal Control Over Financial Reporting

None.

Section II – Compliance and Other Matters

Reference Number: 2010-1

Fiscal Year Finding Initially Occurred: 2009

Description of Finding:

The Louisiana Open Meetings Law (LSA-R.S. 42:1 through 42:13) requires that all public bodies shall give written public notice of their regular meetings. During our review, we requested notices of the Board of Commissioner's meetings of the District for the year ended December 31, 2010. We were informed that notices for the meetings that took place on June 8, 2010, November 9, 2010, and December 14, 2010 were not available.

Corrective Action Taken: Yes

Description of Action Taken:

As of the date this finding was noted, all notices of meetings have been posted

Name of Contact Person:

Ed Glockner.

Anticipated Completion Date:

December 31, 2011.